

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF PUERTO RICO

UNITED STATES OF AMERICA,

Plaintiff,

v.

Civil No. 12-2039 (FAB)

COMMONWEALTH OF PUERTO RICO, *et*
al.,

Defendants.

**ORDER APPOINTING CHRISTOPHER GRAHAM
AS FINANCIAL OVERSIGHT OFFICER**

The Court has repeatedly made clear that it remains concerned about the financial management of expenditures related to the reform (See, e.g. Docket No. 2401.) The Court has also made clear that it views the entire funding of the Puerto Rico Police Bureau (PRPB), including the recurring annual operational budget and the \$20 million annual reform budget, to be a single financial asset under the Court's supervision. The reviews over the past few years of PRPB expenditures for Fiscal Years 2018-2021, which culminated in an audit by Mr. Christopher Graham of 109 specified expenditures (the "audit report") (See Docket Nos. 2164 and 2176), indicate profound issues with the manner in which PRPB manages its financial budget.

The Court is thus concerned with all PRPB budget expenditure practices; any PRPB use of budget funds has a potential impact on

reform-related efforts. It is clear that recurring sweeping oversight of PRPB budget expenditures is critically needed. Indeed, the United States has indicated that the PRPB has a "serious accounting and record keeping problem." (U.S. motion, Docket No. 2372 at p. 8.)

Accordingly, the Court appoints Mr. Christopher Graham as a Financial Oversight Officer in the reform case. Mr. Graham has already been vetted by the parties; his background and qualifications are well known. The quality of his work on his audit report also demonstrates his suitability for this assignment.

All reform-related financial and expenditure reports currently generated by the Commonwealth will also be provided directly to Mr. Graham. The Court anticipates that Mr. Graham's work will eventually require more detailed financial reporting, which the Court will address as needed.

Mr. Graham will assist, monitor, and report on the implementation and progress of the findings in the audit report, conduct as-needed audits and reviews, make recommendations to the Court regarding ways to improve the practices of PRPB and their review, and other duties as assigned by the Court.

Mr. Graham will work independently and report to the Court. The Special Master will administratively oversee Mr. Graham to

include reviewing and submitting his invoices. The Special Master will also operationally support Mr. Graham as needed to access and assess information, and assist Mr. Graham as further directed by the Court.

Mr. Graham will coordinate with the Monitor Team and all parties, but take primary direction from the Court, typically through the Special Master.

An additional budget allocation shall be created to cover the professional fees and incidental expenses of Mr. Graham for Fiscal Year 2024. Mr. Graham's professional fee will be \$150.00/hour, which is commensurate with the Special Master, and will be capped at \$90,000.00 for the fiscal year. His incidental expenses, including appropriate travel costs, will be capped at \$12,000.00 for the fiscal year. As set forth in the Stipulated Order, the Commonwealth will deposit a total of \$102,000.00 into an interest-bearing account of the Court for payment of Mr. Graham's expenses on a monthly basis. This account is separate from that of the Office of the Special Master and the Monitoring teams.

Mr. Graham's appointment as Financial Oversight Officer will be effective on July 1, 2023.

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IT IS SO ORDERED.

San Juan, Puerto Rico, May 4, 2023.

s/ Francisco A. Besosa

FRANCISCO A. BESOSA

SENIOR UNITED STATES DISTRICT JUDGE